(d) and (e) RBI had appointed a Committee on Customer Service in banks under the Chairmanship of Shri M.N. Goiporia, Ex-Chairman of State Bank of India. This Committee has made several recommendations for improving the customer service in banks. These are being implemented by the banks. Whenever specific complaints are brought to the notice of Government/RBI, these are duly taken up with the banks concerned for redressal of the customers' grievances.

Measures to Curb Expenditure

5468. SHRI AHMED MOHMED BHAI PATEL
SHRI SURESH PACHOURI:
Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to impose stiff measures to curb expenditure;

(b) if so, what are the details of the proposed steps to be taken to control expenditure and to stick to the fiscal deficit target of 6 percent of Gross Domestic Product in 1994-95;

(c) whether the Ministry of Finance has made it clear, that they will not tolerate a repeat of 1993-94 when the fiscal deficit went up from 4.6 percent to 7.3 percent of GDP; and

(d) if so, by when the measures are likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRAHEKHAR MURTHY): (a) to (d) The Government is determined to ensure that the fiscal deficit is maintained at 6% of GDP in 1994-95. This will be achieved by containing expenditure within the budgeted levels and maximising revenues.

Loan Scheme for Unemployed Youth in Madhya Pradesh

5469. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government had announced a direct-loan scheme for unemployed youth in Madhya Pradesh;

(b) whether the State Government had to provide loan to the unemployed youth under the Scheme through the Collectors, without any Bank's intervention;

(c) whether the Centre had to provide Rs. 10 crores to the State Government for its implementation;

(d) if so, whether the Central Government had not so far released the amount, as was promised in 1992;

(e) if so, what are the main reasons for delay in releasing the amount;

(f) whether the State Government could not implement the Scheme because of non-availability of funds; and

(g) by what time the Union Government are likely to release the amount so that the Scheme is implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRA SHEKHAR MURTHY): (a) No, Sir.

(b) to (g) Do not arise.

Foreign Companies in Insurance Sector

5470. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry has urged Government to ensure entry of foreign companies in the insurance sector by way of joint collaboration;

(b) if so, the reaction of Government on the views of FICCI;

(c) whether Government propose to reconsider the Malhotra Committee report in this regard; and

(d) if so, the details thereof?

THE MINISTERY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) The Committee on Reforms in the Insurance Sector (CRIS), headed by Shri R.N. Malhotra, former Governor, Reserve Bank of India, had

submitted its report on the 7th January, 1994. The recommendations are under consideration of the Government. Suggestions received from various quarters, including the Federation of Indian Chambers of Commerce and Industry will be kept in view at the time of taking a final decision on the recommendations made by the Committee.

RBI to monitor Private Banks

5471. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a newsitem published in the Financial Express dated 12th April, 1994 captioned "RBI to monitor private banks" to ensure that they fulfil the priority sector obligations and social commitments laid down by the apex bank;

(b) if so, the details thereof and policy laid down therefor; and

(c) in what manner Government propose to ensure that significance of the Public Sector Banks would not in any way be diminished by bringing private banks in the scene?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Reserve Bank of India (RBI) guidelines on the entry of new private sector banks stipulate *inter alia* that they will have to observe priority sector targets lending as applicable to other domestic banks. These guidelines also stipulate that to enable the new private sector banks to lend to all categories of the priority sector, some modification in the composition of the priority sector lending may be considered by RBI for an initial period of 3 years.

(c) The setting up of new banks in the private sector is expected to improve competitive efficiency of the banking system and upgrade technology. It is also expected that the existing banks including public sector banks would reorganise their operations so as to meet the competition posed by the new private sector banks.

Government's Policies on Banks

5472. SHRI GURUDAS DAS GUPTA
SHRI N.E. BALARAM:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that government's reform policies and taking the banks to clean up their balance sheets, have pushed to the back burner the social oriented programmes like Rojgar Yojna for unemployed youth and loan to the priority sector; and

(b) if so, what steps are being taken to see that these sectors are not denied financial support from the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

(b) Does not arise.

Follow up action on JPC Report

5473. SHRI SOMAPPA R. BOMMAI
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of the follow up action taken by Government on the JPC report on scam;

(b) what are the reasons for delay in taking the action on the report; and

(c) what is the present position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) The Joint Parliamentary Committee presented its report to Parliament on 21-12-1993. The report has been discussed in both the Houses of Parliament. A committee comprising of Finance Secretary, Secretary (Revenue), Secretary (Expenditure), Special Secretary (Banking) and Deputy Governor, Reserve Bank of India has been constituted in the Ministry of Finance to process various recommendations concerning Ministry of Finance. An Inter-Ministerial Committee has also been constituted under the Chairmanship of Cabinet